# AUTHORIZING THE DISPOSITION OF CERTAIN PROPERTY AT THE SHARPE GENERAL DEPOT, CALIF.

May 29, 1956.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Johnson of California, from the Committee on Armed Services, submitted the following

## REPORT

[To accompany H. R. 9970]

The Committee on Armed Services, to whom was referred the bill (H. R. 9970) to provide for the disposition of a portion of Sharpe General Depot, Stockton Annex, Calif., having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows: Amend the title so as to read:

A bill to provide for the disposition of the Stockton Air Force Station and the Stockton Annex, Sharpe General Depot, California.

Page 1, lines 8 and 9, strike "and two and nine-tenths acres of easement'

Page 2, line 3, strike the word "Annex" and insert in lieu thereof the words "Air Force Station".

Page 2, line 5, following the word "acres", insert "and two and ninetenths acres of easement".

Page 2, strike section 3 and insert in lieu thereof the following:

Sec. 3. The conveyances herein authorized shall be made at the fair market value of the property as determined by the Secretary of the Army, and shall be made upon such terms and conditions and shall include such reservations as the respective Secretary shall determine to be in the public interest.

## EXPLANATION OF AMENDMENTS

The modification of the title is necessary in order to indicate that two separate and distinct conveyances are proposed for authorization by the bill.

The amendment on lines 8 and 9 of page 1 is merely corrective. The easement referred to actually constitutes a portion of the Air Force

Station and not the Stockton Annex.

The second amendment to the body of the bill, that appearing following the word "acres" on line 5 of page 2, places the easement reference at the proper installation, as is described immediately above.

The amendment to section 3 is designed to render certain that the fair market values of the properties proposed for conveyance are determined by the Secretary of the Army as real-estate representative for the Department of the Air Force. The properties may not be conveyed for an amount less than that so determined.

### PURPOSE OF THE BILL

The purpose of the bill is to provide for the conveyance of 96.85 acres of the 118.44 acres comprising the Stockton Annex, Sharpe General Depot, and the 138.56 acres comprising the Stockton Air Force Station, together with all appurtenances pertaining thereto and improvements located thereon, and a perpetual easement for roadway and drainage ditch purposes over 2.90 acres of privately owned land, to the Stockton Port District on or before January 1, 1957, the conveyance to be by quitclaim deed and for a monetary consideration determined by the Secretary of the Army to represent the fair market value of the property to be conveyed.

#### BACKGROUND OF THE BILL

In 1941, the War Department acquired 277.07 acres of land on the Stockton deep-water channel adjacent to the southwest of the city of Stockton, Calif., at a cost of \$189,400 to provide for the establishment of a motor-repair shop and motor-parts depot, which was constructed at a cost of \$3,178,761. After the close of World War II, leasehold interests in 518.70 acres of adjoining land were terminated and in 1948 the War Assets Administration sold 20.07 acres of the 277.07 acres as surplus property. In 1955, an area embracing the 138.56 acres identified in section 2 of H. R. 9970, the depot facilities located thereon, and perpetual easements for roadway and drainage purposes over 2.90 acres of privately owned lands identified in section 1 of the bill, were transferred to the Department of the Air Force, which has designated the installation as the Stockton Air Force Station. The 118.44 acres and troop-housing facilities located thereon retained by the Department of the Army is known as the Stockton Annex, Sharpe General Depot, and has been used by the Quartermaster Corps for training purposes. H. R. 7761, 84th Congress, which passed the House of Representatives on February 6, 1956, provides for the conveyance of 21.59 acres of the Stockton Annex to the Stockton Port District for a consideration determined by the Secretary of the Army to represent its fair market value. That bill also provides for the payment of the cost of relocating or reconstructing elsewhere on the 96.85 acres (sec. 1 of H. R. 9970) the facilities now on the 21.59 acres.

#### SHARPE GENERAL DEPOT

The Sharpe General Depot comprises four dispersed facilities in the vicinity of Stockton, Calif. Three of the facilities, including the Stockton Annex, are located on Government-owned land. The Field Annex, located approximately 4 miles southeast of the city of Stockton, comprises approximately 71 acres which has been held for several years under leases with the owner, the city of Stockton, at rentals totaling \$1,391 per annum. In order to consolidate some of the activities carried on at these facilities and to minimize the overall cost of maintenance and operation, the Department of the Army early in 1955 began the rehabilitation of housing facilities at the Field Annex and plans to transfer the 325 enlisted personnel now housed at the Stockton Annex to the Field Annex. Subject to the completion of these plans, the Department of the Army will have no further requirement for the Stockton Annex. It now appears that the rehabilitation work will be completed during the fall of 1956.

Since the Department of the Army has a long-range requirement for the Field Annex, it is desirous of acquiring the fee to such property, thereby obviating the necessity of continued rental payments. conveyance of the Stockton Annex and acquisition of the Field Annex are essentially one transaction. However, the city of Stockton, owner of the Field Annex, is an entity distinct from the Stockton Port District, proposed grantee of the property being relinquished. It was therefore recommended that the bill be amended to authorize purchase of the Field Annex property and to make the funds received from the sale of the Stockton Annex property available therefor. To accomplish that purpose the Army recommended there should

be added to the bill a new section granting this authority.

The committee did not find itself in agreement with the Department of the Army in this respect since the proposal is not consistent with normal budgetary practices and could constitute an undesirable precedent for future conveyances and other actions which could similarly lend themselves to retention of funds for expenditure by the

Department concerned.

## STOCKTON AIR FORCE STATION

The current and foreseeable requirements of the Department of the Air Force for the Stockton Air Force Station are limited to the use of two warehouses and certain hardstand areas. Recent dicussions between representatives of the Department of the Air Force and the Stockton Port District indicates that in the event of transfer of title to the Stockton Air Force Station to the Stockton Port District, satisfactory arrangements can be made for the long-term use of these facilities.

GENERAL SERVICES ADMINISTRATION ACTION

It will be noted that the Department's report on the bill suggests that the views of the General Services Administration be obtained with respect to the conveyances contemplated by H. R. 9970.

The Administrator of the General Services Administration appeared and gave testimony to the effect that that Administration had no

objection to the bill.

#### FISCAL DATA

Enactment into law of this measure willnot involve the expenditure of any Federal funds.

### DEPARTMENTAL DATA

Neither the Department of Defense nor the Bureau of the Budget has any objection to the proposed legislation, as is evidenced by letters dated May 11, 1956, and May 28, 1956, from the Department of the Army. The objection raised by the Bureau of the Budget, and which is set out in the Department of the Army letter dated May 28, 1956, has been removed by appropriate amendment of the bill.

DEPARTMENT OF THE ARMY, Washington, D. C., May 11, 1956.

Hon. CARL VINSON,

Chairman, Committee on Armed Services, House of Representatives.

Dear Mr. Chairman: Reference is made to your request to the Secretary of Defense for the views of the Department of Defense with respect to H. R. 9970, 84th Congress, a bill to provide for the disposition of a portion of Sharpe General Depot, Stockton Annex, California. The Secretary of Defense has delegated to the Department of the Army the responsibility for expressing the views of the Department of Defense thereon.

The purpose of the bill is to provide for the conveyance of 96.85 acres of the 118.44 acres comprising the Stockton Annex, Sharpe General Depot, and the 138.56 acres comprising the Stockton Air Force Station, together with all appurtenances pertaining thereto and improvements located thereon, and a perpetual easement for roadway and drainage ditch purposes over 2.90 acres of privately owned land, to the Stockton Port District on or before January 1, 1957, the conveyance to be by quitclaim deed and for a monetary consideration determined by the Secretary of the Army and the Secretary of the Air Force, respectively, to represent the fair market value of the property to be conveyed.

The Department of the Army, on behalf of the Department of Defense, has considered the above-mentioned bill. In 1941, the War Department acquired 277.07 acres of land on the Stockton deep-water channel adjacent to the southwest of the city of Stockton, Calif., at a cost of \$189,400 to provide for the establishment of a motor-repair shop and motor-parts depot, which was constructed at a cost of \$3,178,761. After the close of World War II, leasehold interests in 518.70 acres of adjoining land were terminated and in 1948 the War Assets Administration sold 20.07 acres of the 277.07 acres as surplus property. In 1955, an area embracing the 138.56 acres identified in section 2 of H. R. 9970, the depot facilities located thereon, and perpetual easements for roadway and drainage purposes over 2.90 acres of privately owned lands identified in section 1 of the bill, were transferred to the Department of the Air Force, which has designated the installation as the Stockton Air Force Station. The 118.44 acres. and troop-housing facilities located thereon retained by the Department of the Army is known as the Stockton Annex, Sharpe General Depot, and has been used by the Quartermaster Corps for training purposes. H. R. 7761, 84th Congress, which passed the House of Representatives on February 6, 1956, provides for the conveyance of 21.59 acres of the Stockton Annex to the Stockton Port District for a consideration determined by the Secretary of the Army to represent its fair market value. The bill also provides for the payment of the cost of relocating or reconstructing facilities on the land elsewhere on

the 96.85 acres identified in section 1 of H. R. 9970.

The Sharpe General Depot comprises four dispersed facilities in the vicinity of Stockton, Calif. Three of the facilities, including the Stockton Annex, are located on Government-owned land. The Field Annex, located approximately 4 miles southeast of the city of Stockton, comprises approximately 71 acres which has been held for several years under leases with the owner, the city of Stockton, at rentals totaling \$1,391 per annum. In order to consolidate some of the activities carried on at these facilities and to minimize the overall cost of maintenance and operation, the Department of the Army early in 1955 began the rehabilitation of housing facilities at the Field Annex and plans to transfer the 325 enlisted personnel now housed at the Stockton Annex to the Field Annex. Subject to the completion of these plans, the Department of the Army will have no further requirement for the Stockton Annex. It now appears that the rehabilitation work will be completed during the fall 1956.

Since the Department of the Army has a long-range requirement for the Field Annex, it is desirous of acquiring the fee to such property, thereby obviating the necessity of continued rental payments. conveyance of the Stockton Annex and acquisition of the Field Annex are essentially one transaction. However, the city of Stockton, owner of the Field Annex, is an entity distinct from the Stockton Port District, proposed grantee of the property being relinquished. It is therefore recommended that the bill be amended to authorize purchase of the Field Annex property and to make the funds received from the sale of the Stockton Annex property available therefor. To accomplish that purpose there should be added to the bill a new section sub-

stantially as follows:

"Sec. 4. The Secretary of the Army is authorized to purchase, upon such terms and conditions as he deems appropriate, the property known as the Field Annex, Sharpe General Depot, California, consisting of approximately seventy-one acres. The funds received from the sale authorized by section 1 hereto shall be credited to the appropriation, 'Military Construction, Army,' and shall be available to accomplish such purchase: Provided, That when such purchase is completed, the unexpended balance of such funds shall be covered into the Treasury of the United States as miscellaneous receipts."

The current and foreseeable requirements of the Department of the Air Force for the Stockton Air Force Station are limited to the use of two warehouses and certain hardstand areas. Recent discussions between representatives of the Department of the Air Force and the Stockton Port District indicates that, in the event of transfer of title to the Stockton Air Force Station to the Stockton Port District, satisfactory arrangements can be made for the long-term use of these facilities.

Subject to the completion of the rehabilitation of housing facilities at the Field Annex and satisfactory arrangements for the use of required facilities at the Stockton Air Force Station, the Department of Defense would interpose no objection to the disposition of the Stockton Annex and the Stockton Air Force Station in any manner determined to be appropriate. If the enactment of legislation to provide specifically for the disposition of these properties is favorably considered, it is suggested that the bill be amended to provide for the conveyance of the property identified in H. R. 9970 and H. R. 7761. It is also suggested that the title of the bill be amended to read as follows: "To provide for the disposition of the Stockton Air Force Station and the Stockton Annex, Sharpe General Depot, California." Attention is invited to the fact that the easement referred to in line 9, page 1 of the bill, relates to the Stockton Air Force Station instead of the Stockton Annex, Sharpe General Depot. It is further recommended that the word "upon" be inserted after the word "made" in line 8 of page 2 of the bill.

Inasmuch as the enactment of this measure would provide for the negotiated sale of excess property for which there may be other Federal requirements, the committee may wish to obtain the views of the General Services Administration concerning the effect of its enactment on its administration of laws pertaining to the utilization

of excess property and the disposition of surplus property.

Enactment of this measure will not involve the expenditure of any

Department of Defense funds.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

Inasmuch as the committee has requested that the report be expedited, it is submitted without a determination by the Bureau of the Budget as to whether or not it conforms to the program of the President. However, as soon as such advice is received, it will be forwarded to your committee.

Sincerely yours,

WILBER M. BRUCKER, Secretary of the Army.

DEPARTMENT OF THE ARMY,
OFFICE OF THE SECRETARY OF THE ARMY,
Washington, D. C., May 28, 1956.

Hon. CARL VINSON,

Chairman, Committee on Armed Services, House of Representatives, Washington, D. C.

Dear Mr. Chairman: Reference is made to the letter of May 11, 1956, from the Secretary of the Army to you expressing the views of the Department of Defense with respect to H. R. 9970, 84th Congress, a bill to provide for the disposition of a portion of Sharpe General Depot, Stockton Annex, California.

Inasmuch as the committee had requested that action be expedited, the report was submitted to the Committee without a determination by the Bureau of the Budget as to whether it conformed to the pro-

gram of the President.

This is to inform you that the Bureau of the Budget, on May 28,

1956, advised the Department of the Army as follows:

""\* \* \* that while the Bureau of the Budget concurred in that portion of your proposed report which relates to the land transfer contemplated in H. R. 9970, it does not agree with the additional proposal presented in that report. The Bureau believes that the proposed acquisition of the Field Annex which the Department of the Army proposes to accomplish by the use of a further section to the bill should be handled instead by the normal procedures for acquiring land or facilities \* \* \*."

Sincerely,

C. J. HAUCK, Jr.,
Brigadier General, General Staff,
Chief of Legislative Liaison.

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